

Press release from the German Heat Pump Association (BWP)

Building Modernisation Act: BWP calls for stricter measures

Berlin, 6 May 2026. The German Heat Pump Association (BWP) welcomes the fact that the debate surrounding the Building Modernisation Act (GModG) is finally taking shape with the publication of the draft bill. However, the BWP criticises what it sees as clear steps backwards compared with the current Building Energy Act (GEG), as these would lead to renewed legal and planning uncertainty for consumers and the industry. In certain respects, the draft even deviates from the key points agreed at the end of February.

Under the current Building Energy Act (GEG), new heating systems are required to be powered by at least 65 per cent renewable energy from this year onwards in major cities and from 2028 in all other municipalities. According to BWP Managing Director Dr Martin Sabel, the Federal Government's draft bill on the Building Modernisation Act (GModG) drastically lowers the requirements for new heating systems: "From 65 per cent to 10 per cent renewable energy: given the crisis in the Middle East and its impact on energy prices and security of supply in Germany, as well as on climate targets, this sends entirely the wrong signal. It threatens to create considerable uncertainty for consumers and the industry."

Risks for an industry experiencing a positive trend

Any rollback in the requirements would be in stark contrast to the current trend in the heating market, explains Sabel: "Since 2025, one in every two newly installed heating systems has been a heat pump, and this trend is set to continue in the first quarter of 2026. Instead of providing the industry, the skilled trades and the sector as a whole with planning certainty for investment and jobs, the draft bill poses significant risks of halting this necessary trend."

A fall even below the February targets

Following the presentation of the key points in February, the BWP pointed out that the expansion of heat pump use and the reliable continuation of heating subsidies were now more important than ever. It is therefore incomprehensible why the draft bill falls short of the original agreement. This is because, from 2024 onwards, property owners had already been obliged to take out contracts with increasing proportions of biomass when installing a new gas or oil heating system from 2029. The coalition had intended to stick to this.

However, the draft bill now proposes that this requirement should no longer apply to the approximately one million gas and oil heating systems that have been installed in the meantime. The requirements are now to apply only to heating systems installed in future. This would result in significant additional emissions and an increased demand for imported natural gas and heating oil. In addition to Germany's dependence on imports, this would also have negative consequences for climate targets and the credibility of the legislature.

BWP: Avoid creating loopholes

Amendments are also required regarding the option of meeting the 'Biotreppe' ('bio-step' framework, under which the required proportion of bio-based fuels increases in stages) using a hybrid heat pump. This is because, under the draft bill, the heat pump component of a system is not required to deliver a specific heat output. According to Sabel, under the current wording, installing a heat pump with a capacity barely suitable for heating a building could potentially be sufficient to circumvent the 'Biotreppe' requirements across the board: "We consider this to be a technical error in the draft bill. We expect the Federal Government to correct this error before the cabinet decision next week."

The parliamentary process is crucial

Sabel is placing his hopes in the parliamentary process „The debate about the specific details is only just getting started. In the coming weeks, the German Bundestag must refine the legislation, correct any errors and, in particular, ensure legal and planning certainty. Above all, this includes the reliable continuation of heating subsidies in the budget planning.“

Ultimately, the law must also be in line with the European Parliament's Energy Performance of Buildings Directive (EPBD). This calls for strategies and measures to ensure that fossil fuels are no longer used in heating systems from 2040 onwards. In contrast, however, the 'Biotreppe' bill merely stipulates a share of just 60 per cent renewable energy from 2040. For Sabel, this raises unnecessary doubts about the federal government's climate policy efforts. The reference to the current climate protection targets in the draft bill must, as a logical consequence, also result in a requirement for the use of 100 per cent renewable energy in gas and oil heating systems by 2045.

Further information under <https://www.waermepumpe.de/presse/pressemitteilungen/>

About the German Heat Pump Association (BWP)

The German Heat Pump Association - Bundesverband Wärmepumpe (BWP) e. V. is an industry association based in Berlin that covers the entire value chain surrounding heat pumps. The BWP brings together over 1,350 companies from the heating industry, tradesmen, planning and architectural firms, drilling companies and energy suppliers, all of whom are committed to promoting the increased use of efficient heat pumps.

The German heat pump industry employs around 100,000 people and generates an annual turnover of around 3.5 billion euros. There are currently just under two million heat pumps in use in Germany. Around 95 per cent of the systems installed here are manufactured by BWP member companies.

Press Contact:

Katja Weinhold / Peter Kuscher
Hauptstraße 3
10827 Berlin
Telephone: 030 208 799 716
Email: presse@waermepumpe.de